



บริษัท ยูเนียน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

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Corporate Governance Code

The Union Petrochemical Public Co, LTD. has been supported by the committee in assisting and facilitating the management of business functions through professional management; to provide what is necessary for the company. For example, benefits, morals, ethics, and justice. This is the reason why our company implemented the Corporate Governance Code; to manage, acknowledge, and have an understanding of ethical business practices with having the Corporate Governance Code structure in place. Correspondingly, this is per the 2560 (CG Code 2017) at Securities and Exchange Commission; to provide announcements to officers in the following guidelines:

The committee will follow and adhere to the principles of the Corporate Governance Code; to instill good morals. Hopefully, everyone will follow the aforementioned principles; to make our company develop and be successful soon.

-Signature-

Mr.Perapol Suwannapasri
Managing Director



Corporate Governance Code Policies

Corporate Governance Code Policies

1. The company committee which comprises the Chief Executive Officer and other company personnel must follow the law and implement the principles of Corporate Governance Code Policies; to adapt for the utilization of processing and adapting with the company vision, the company strategy, and the corporation objectives and goals. As a result, this assists in building and developing our company to be of exceptional quality and possess extraordinary policies. More so, there are trusting and cooperative relationships between shareholders, other individuals, and other companies.
2. The company committee respects and treats our shareholders equally with honesty, integrity, and justice, and provides them with the best quality services required.
3. In addition, our company committee facilitates and cooperates with other corporate entities; to support relationships between companies and every corporate entity group. As a result, defined and excellent communication channels are shared between everyone.
4. The company committee has created and implemented policies; as well as has integrated professionals with the company. Thus, this created a guideline for every corporate entity. For example, shareholders, customers, business professionals, partners, debtors, officers, community members, society, and the environment.
5. The company committee's sole function is to implement the corporation's vision, mission, assessments, approved strategies, business plans, budgets, controls, and management; to permit the company in implementing quality policies with other corporate entities. Therefore, this provides the best benefits and incentives for both the company and the company's shareholders.
6. The company committee has implemented an organized structure; which has been utilized in integrating and separating responsibilities and functions in the corporate structure. More so, additional tasks and management are delegated to sub-committees; as well as the committee of management; alongside the management department. In addition, there are internal control measures and risk management for corporate structure. Additionally, there is an implementation for the prevention of conflict of interest policies and prevention for utilizing internal information.
7. The company committee can create and instill anti-corruption policies for the corporation; to acknowledge and build trust with the management of our company. As a result, our corporation focuses on these anti-policies and adheres to these policies as a result.
8. The company committee is responsible for implementing financial and budget control measures and managing financial information with exceptional quality. Additionally, this information is tested and brought forward as truthful information; which implements the auditing of the entire control process with integrity.



9. The company committee takes care of the company, provides excellent channels of communication, supports excellent quality information, and financial information with integrity; as well as can present other corporate information which is transparent, honest, and cooperative with investors equally in obtaining information and building partnerships.
10. Therefore, the company committee can establish sub-committees to assist in the consideration of the implementation of corporate Governance policies; to consider and present operating results at company committee meetings, and report these operating results to our shareholders regarding our annual operating report.
11. The company committee can implement a quality annual operating assessment, and implement a framework that adheres to and continues to the improvement of corporate functions with exceptional quality; by presenting the results from the assessment to the company committee in acknowledgment.
12. The company committee utilized a recruitment system to determine operating managers for various corporate departments; to be transparent, honest, and integrity.
13. The company committee is extremely important in following and adhering to company policies. and the Corporate Governance Code, alongside professionals, and experts; to permit corporate officers to understand and acknowledge these integrated company policies. More so, there is a framework that must be followed up and audited.

Corporate Governance Code

To develop the Corporate Governance Code of our company; which is per 2560 (CG Code 2017). In addition, this code was created by the Securities Exchange Commission by the following:

1.) The rights of our shareholders

The rights of our shareholders follow and adhere to the company committee in respecting and treating our shareholders with excellent quality service. Correspondingly, this makes our shareholders understand their present rights and the rights that they must receive. Therefore, the company committee has the principles which they teach our shareholders the following:

1. The right to have shares or stock certificates, the right to sell them, and transferable stock rights:

The Company Thailand Securities Depository Co., Ltd. acts as the Company's securities registrar; to facilitate the shareholders in the process of registration of the Company's securities.



2. The right to offer meeting topics, present the company's committee list to take the position, and formulate formal questions.

Moreover, this action follows the right to protect shareholders equally with law principal and the Corporate Governance Code by Company Boards by the following:

1) Shareholders are not permitted to hold stocks, not over 3 percent of the sell total. Then a list of names is proposed; regarding who will be members of the company board; as well as questions are formulated before the shareholders' annual general meeting.

2) The company informs registration times through the Stock Exchange of Thailand and the company's website; that is, at least 3 months before the end of the fiscal year.

3) The company shows the qualifications and the details of individuals who have the right to propose conditions and conduct the consideration process. Additionally, shareholders can download the proper form from the following URL: <http://www.unionpetrochemical.com>; which the topic: Investor Relations or shareholder. In addition, this information can be sent through Electronic Mail or Fax to the company's secretary; to obtain information sent from the company board, the consideration process, and proposed meetings and approved meetings as well.

4) In case the company's board considers approval then the company will add the names of the shareholders' meeting; through an invitation letter; for the individual determined who weren't approved. The company's board will inform if the process was approved, through the Company Thailand Securities Depository Co., Ltd and the website: <http://www.unionpetrochemical.com>, Topic: Investor Relations, and individuals will be informed about shareholder meetings through that channel.

3. Shareholders' Meeting Rights

The company boards would like to have a Shareholder's Meeting to focus on the rights and the equality of shareholders; in attending the meeting to act in following laws and good Corporate Governance principles. Correspondingly, a general Shareholder's Meeting is held annually 4 months after with financial year. In case a list is proposed about the benefits of shareholders or the laws which were approved by shareholders; the company will make an invitation for shareholder meetings case by case with the following conditions:

1. Before a shareholder meeting is conducted

- The company authorizes the Thailand Securities Depository Co., Ltd., and its securities for the registration of the company. Then, meeting invitation letters are composed; as well as documentation preparation for the meeting, and important information (to be an English version if there are foreign shareholders) for shareholders 21 days before meeting days. Moreover, the company will share the meeting

invitation and information on the company's website:

<http://www.unionpetrochemical.com> in Thai and English version 30 days before the meeting. All of this permits shareholders; to research and make decisions. The company also shares available information in the newspaper; to inform about the date, the scheduled time, the location, and the details about meetings in Thai and English versions 3 days before the meeting in 7 days.

- Every topic comprises of meeting details in the letters; which have the objective and reasons; which are effective in positive and negative connotations (if have); as well as the suggestions of the company's board with clarity and transparency by the following:
- Request for the establishment of a company's committee or board: The company will attach the name a Curriculum Vitae of the committee for establishment. For example, name, surname, academic background, and employment background. The prostration of the company will act on established principles and business ethics for the proposition. For example, Independent Directors and in this case will offer previous directors to continue. There must have been meeting information recorded from the previous year, and the year that the individual was in this position in a company also.
- Request for the establishment of an auditor: the company will show the details of the auditor; regarding experience, ability, and performance of the auditor which could be an auditor of the company until independent auditors from the Securities and Exchange Commission for approval; as well as must specify the auditor's service fees and other service fees.
- Dividend payment: The company has a policy regarding the announcement of Dividend payment details. In case there isn't a dividend payment and other cases that affect the company, certain measures have to be adhered to. For example, when editing regulations and the Memorandum of Association, capital reduction or capital increase or special list.

2.) Shareholder Meeting Days

- The company will process the meeting as prescribed by the law; which considers ease of convenience; that is proper, and treats shareholders equally by having an officer support shareholders. This is true in the case of when having documents checked with the assistance of the joiner. In addition, a 1-hour notification is provided before the meeting occurs between all shareholders.

- Every shareholder meeting will have a joiner by the following: the Chief Executive Officer and the directors both participate in the shareholders' meeting. These individuals participate in the meeting; to permit the shareholders in partaking in a cooperative discussion together. More so, there is an auditor that works as an inspector for these meetings.
- Before the shareholder meeting, the secretary will introduce the Board of Directors, the committees, the Chief Executive Officer, and the auditor of the company. In addition, the secretary will recollect and record the shareholders' meeting notes for future reference.
- The secretary will announce the Quorum at the meeting; regarding the details of the meeting. For example, the total amount of shareholders present at the meeting, the number of individuals acting on behalf of the shareholders as Power of Attorney, and the number of independent directors of the shareholders before the start of the meeting; which follows the Public Limited Companies Act, Section 107(1). One shareholder equals one vote, and every individual's vote is equal. The meeting President can make an affirmation based upon those votes. Moreover, shareholders or even individuals that act as Power Attorney on their behalfs can carry out the vote-taking process.
- The Secretary of the company will continue the process of the shareholder meeting, by following the agenda which was announced in the invitation letter. In addition, any other agendas will not be attached and be implemented with the present agenda. This is done to promote equality for those that had a Power of Attorney in place of themselves or for those that were absent from the meeting.
- The Board of Directors will present main focal point cards for each agenda brought forward for the voting process. These cards are to present transparency, honesty, and integrity. In addition, this technique can be verified and checked later. Also, this process is only able to count the number of votes and check the recorded vote announcements.
- The meeting Chairman manages the schedule to be sufficient; in permitting all shareholders to participate in deliberating agendas equally. During the meeting, there is a record of mentioned recommendations and the meeting report for shareholders; who didn't attend the required meeting.



3.) After the shareholder meeting

- The company will propose the meeting resolution; which is passed by the Stock Exchange of Thailand News during the proceeding day. This is completed for a vote on agreements, disagreements, and abstains; until the meeting report is both written in Thai and English versions. Then, it is sent to the Stock Exchange of Thailand and other organizations within 14 days after the meeting. Moreover, this includes the announcements of meeting reports from the website: <http://www.unionpetrochemical.com/>. With this website, shareholders can check for announcements and don't have to wait for announcements through shareholder meetings. Currently, there is a reliable and sufficient system for storing and referencing shareholder meeting reports.
- The company's board permits the secretary to write shareholder meeting reports; which are transparent, honest, and have integrity by the following:
 1. The name and the position of the committee, sub-committees, the meeting chairman, the director, and the Chief Executive Officer, and the officers that participated in the meeting and those that didn't participate in the meeting.
 2. The quorum comprises the number of shareholders who joined in the shareholder meeting and the number of shareholders who asked the independent directors of other companies to participate in the shareholder meeting.
 3. If an agenda were to be deliberated upon, a vote would have to be conferred, the votes have to be counted, the results of the vote obtained, and the process conducted for utilizing main focal point flash cards.
 4. Questions and suggestions are deliberated upon in the shareholder meeting.
 5. The votes that were processed through a vote resolution were measured as agreements, disagreements, and abstains. More so, agendas have to state their purposes and the number of shareholders present in the shareholder meeting.

4.) *The right to establish and remove committees includes the compensation:*

1) To establish the committee or the company board:

- The company's board permits shareholders in establishing committees; the company board considers performance through qualifications; as well as offers the names of individuals to obtain positions in committees through the deliberation of shareholders' meetings with

attached resumes. Moreover, this includes information that could benefit shareholders for consideration

- By company regulations in shareholders meetings every time can permit committees to leave 1/3 and mustn't separate to be 3 parts. However, there is permission to leave closest to the 1 /3 part. The committee that isn't present can come back to get a position again which is on the company's board made through regulations by the following:
 1. One shareholder equals one vote.
 2. All shareholders will use the vote to follow up on No. 1. Therefore, they can establish many committees and separate votes equally.
 3. The individual who received the highest vote count will be on the committee equal to the number of directors that will have or will be elected at that time; in the case where the person is elected.

2) Committee Removal

To remove committees out of position, there need to be acts which follow the law and company regulations; with votes not less than 3 in 4 of shareholder amount that comes to meeting and holding share not less than half of the shares, by shareholder joining in meetings in possessing the right to vote.

3) Committee's compensation

Shareholders have their rights considered for committees' compensation by the company's board; for the proposition of the principal and the policy regarding the compensation of every position with currency or no currency.

5. Right to establish an auditor and determine auditor test fees.

The company's board has the right to establish auditors, determine auditor test fees, and necessitates approval by shareholders in shareholder's meetings annually every time. Therefore, the auditor needs to be a Freelance Auditor and has to have been approved by the Securities and Exchange Commission, Thailand.

2. Equal treatment for our shareholders

The company board gives precedence and treats our shareholders with equality, sustainability, and an efficient management process; no matter if they will be majority shareholders or minority shareholders. investors and foreigner shareholders by the following :

- Shareholders can form a discussion for adding more agendas before the meeting announcement approval through the Stock Exchange of Thailand, SET; as well as about the principal process in the formation of announcements on the company's website.
- Shareholders can propose individual(s) to be a member (s) on a committee which person needs to have quantification follow the regulations of a company and have to



make approval before. Then, a meeting can be announced for approval through the Stock Exchange of Thailand, SET. Furthermore, information regarding the principal process is shared through the company's website. In the case of a committee being selected in a meeting, the company will arrange for the voting of committees individually.

Voting rights, joining meetings, deputies, and voting

1. To permit a shareholder to vote in the following shares that they hold; which are equal meaning one share equals one vote.
2. Always process shareholder's meeting follow-ups for agendas that were announced in scheduled meeting letters and for those agendas that are not part of the meeting; without proposing to shareholders beforehand and providing them sufficient time for decision-making.
3. Attach the POWER OF ATTORNEY form; which is followed by the Ministry of Commerce form (Form A and B) Shareholders can decide how they vote; alongside appointed documents. For some shareholders that couldn't join in the scheduled meeting by themselves, they can send an individual on their behalf to attend those scheduled committee meetings, and vote by using the power of attorney and the company will download all of the detail in the company website; for all shareholders can get more information how to do a power of attorney.
4. Individuals who have obtained the highest votes: Persons who have received a vote can be members of the committee. In case an individual has received a vote, the head of the meeting has the final say in the decision-making process.

3. Stakeholders

The company realizes that the stakeholders' group will be managed by the company honestly; as well as implement proper business policies which follow the law and company regulations. Therefore, the company doesn't support illegal forms of business. For example, violations of Human Rights, and the infringement of Copy Rights from other companies. In addition, the company doesn't accept money or gifts from other people; except to obtain something traditionally. However, this tradition must follow company anti-corruption policies; such as supporting government and private policy and human rights violations.

Otherwise, the company supports the development of the job process that affects the stakeholders; as well as the progression of organizations alongside sustainability by the following:

- Shareholders, Investors, the company processes with above-board, and business professionals and shareholders equal rights; no matter if they are individual investors, or organization investors relationships that are developed based on transparency and integrity. As a result, competition is treated in a fair manner between all parties. Thus, this constitutes value creation among shareholders in



the long term. This is the reason why the company has shared important information with shareholders which is legal and at the correct time.

- The company's officers are treated equally, and there is a primary focus on Human Rights. However, Gender, Nationality, Religion, or Beliefs aren't focused upon. All of our officers are of high value, in the assessment of capital. Therefore, these are essential factors that support the company's processes. Moreover, this increases the likelihood of the company continuing its success. The compensation of assets is ascertained and paid at a good level. Moreover, our officers are treated with proper morals, ethics, and Human Rights laws; which present a compensation opportunity, and the necessary benefits for our officers. Additionally, this includes the establishment of individuals, offering promotions, performance development, and improving the skills of officers efficiently in various sectors.

Policy and Compensation Benefits for Officers

Officers are exceptionally important for our business, and are assessed by capital; to retain officers which have excellent capabilities and knowledge for our company. Therefore, these individuals could provide benefits for our company; in turn, compensation is provided to them. Wages are paid at a comfortable rate, which matches the appropriate range for the qualifications of our officers. Additionally, this follows the industry marketing process; to take care of the entire work environment to be safe for our employees, and assure them throughout life. Meanwhile, there are many conveniences for our officers; to provide the necessary support. Correspondingly, Labour Laws are followed seriously in our company. If any of our officers were to pass away, his or her family would receive compensation. This includes the policy regarding the range of compensation; which follows the line of work that he or she did. Also, this consideration is made on the abilities each officer has; on which compensation is based. Assessments of our officers' work performance are carried out; alongside the assessment of their benefits being established. For example, the Provident Fund, to save and build benefits for our officers and the family members of our officers, and this compensation is dependent upon if each of the officers wants to participate in this fund; as well as is dependent on the age of each of our officers. Moreover, this is dependent upon the employee's contribution rate and the company's contribution rate; as well as the life and health insurance group. Funds are provided to each of our officers in times of emergency. There are activities offered for enjoyment and some offer prize rewards as incentives.

Policy for knowledge potential development

Our company focuses on developing our officers' knowledge, and abilities, and possessing more potential in our organization. Furthermore, our company provides skill-development training; which comprises both internal and external types of training for our officers. Thus, this permits all of our officers of various professional levels to participate



together, and use these necessary skills; to work with better and improved skillsets and adapt to new situations. In addition, the company has proposed that all of the company regulations be recognized by the company's officers for recognition; which follows the listed guidelines:

- **Customers:** The company has a concept which treats our customers properly; by focusing on their every need, and taking care of them. Furthermore, our company is responsible for our customers all of the time; as well as providing them with excellent quality service. Moreover, this includes the transferring of goods fairly quickly; as well as following transportation logistics laws. This constitutes a safe environment; which develops trust between our customers and our company by the following:
 - 1.) Our company provides the delivery of products and services; which follow the standards of our company under fair pricing. In addition, we deliver a wide variety of products; which our company always aims to increase our standards. Furthermore, our company provides transparent, and honest information; regarding the delivery of our products and we are against false marketing of products.
 - 2.) Our company aims to foster truthful and transparent information about the delivery of products and or services. In addition, our company provides concise information to our customers; to avoid unnecessary confusion regarding our products, the quality of our products, or the services that we provide.
 - 3.) Our company aims to provide quick responses to our customers; if they have any questions, concerns, or recommendations about anything. Moreso, stock, and transportation systems are managed to provide the best security for our products, and services. Furthermore, our company standards follow the standards of the laws as written; which comprises flexible stock management and having products available for customer transfer.
 - 4.) Our company permits our customers to file complaints, make recommendations, and mention any product defects, or any other issues. Subsequently, our company will respond to our customers' inquiries as quickly as possible; to ensure excellent quality customer service.
 - 5.) Our company keeps our customers' information confidential; as well as isn't shared outside of the company through third parties. However, some information that is kept is allowed to be shared for legal purposes.
- **Business Partnerships/Debtors:** Our company treats our business partners and debtors with equality, integrity, and transparency; which follows our company's contract very seriously. Correspondingly, this follows the Good Governance



policy and our exceptional recruitment process that treats our business partners (seller/contractor/lessor) fairly and honestly. Subsequently, everything has to be conducted honestly and transparent among all business partners. If everything is followed properly, all of our business parties could avoid any forms of conflict of interest.

Recruitment/Procurement mission and fair operations provided for the partnership process:

1. This follows the contractual agreement terms and the terms of business partnerships. However, if these agreements aren't followed up deliberations have to be conducted between both partnerships; to determine how to solve issues together, and to prevent any form of damage from occurring.
2. The Recruitment/Procurement process needs to be facilitated appropriately, to avoid any form of corruption from becoming prevalent.
3. Fair operations among our partnerships must be equal with all individuals involved. In addition, the management of business operations must be fair, transparent, and equal for all of the company's partnerships.
4. Our company's partnerships aren't permitted to conduct any activities which may be in the form of various types of corruption or unethical business practices.

Selection method/ Partnership Assessment

1. Partnerships have a stable and creditable financial background; including having quality potential for developing with our company long-term.
2. Increasing quality products or quality services could respond to the demand in the quantity and the price structure of the aforementioned products; as well as an assessment of quality, could be conducted.
3. Time to transfer products and services assessment
4. Coordinate Job abilities, Solve issues, Term working assessment
 - **Creditor:** the Company treats partnerships and creditors fairly, honestly, without taking advantage; as well as proposes company policies and guidelines about how to operate as a creditor by not missing one's payments and acting in following conditions in agreements seriously.

Operate to creditor principal

1. Contact or agreements should be operated seriously with creditors. For example, collateralization, capital management, and maintaining financial ratios per the agreement



2. Managements to make creditors truthful for the financial component of the company and pay own ability.

3. Expose financial information with the aforementioned conditions correctly, and truthfully

- **Competitor companies** that operate with other competitors, must act fairly, honestly, and transparently. These companies mustn't share secret information; as well as possess proper business ethics and morals. The reputation of competitor companies mustn't be damaged, through negative allegations without facts. The operating principles are listed as the following:

1. Operate under a competition framework

2. Do not try to access competitors' information and trade secrets dishonestly

3. Do not damage the reputation of the competitor's name by making negative accusations.

4. To support free trading and not monopolization or will trade just only company.

5. Intellectual property, Copyrights policy, and permits employees to act and follow under the Intellectual property law.

- **Government organization:** The company that aims to make an agreement or contract with the government and State Enterprises must follow the law regarding anti-corruption policies and regulations.
- **Community, Society, and Environment:** The company aims to run a business process that is good for the Community, Society, and the Environment; with social and environmental responsibility, and consciousness to be of social value in an organization and operate seriously in the following the laws and the company's regulations.

Policies and Practices for non-infringement of intellectual property

The company respects, acts, and follows non-infringement of intellectual property law and has a policy to not allow operate to non-infringement of intellectual action by proposing to be a company Professional ethic by following:



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1. All of the company's officers must be responsible for taking care, respecting, and retaining the infringement intellectual property of other individuals; as well as mustn't take intellectual property from others without permission.
2. All of the company's officers must respect the infringement of intellectual property of other individuals; as well as mustn't take intellectual property from others to use for advantage without permission.

Thus, this respects laws and human rights principles, company regulations, and propositions made by the company CEO, company's board, and officers; to act in following and respecting the law and human rights principles and laws without distinction of race, color, gender, language, religion, socio-economic background, property, birthplace, political opinion, as well as being aware of their rights, duties, and responsibilities towards society and others things.

1. To operate in everyone following human rights equally
2. Avoid non-infringement of intellectual property
3. Support non-infringement of intellectual property
4. Communicated, educated, and understood the Business Value Chain process of the supplier, contractor, and joiner to venture into business partnerships with fairness, honesty, and respecting human rights.

4. To share information honestly with all parties involved:

The Director's board can share important information correctly; through the media. For example news about the stock market in Thailand in both Thai and English versions, and information through the company's website that comprises financial information. The company must prepare this information carefully, clearly, transparently, and use language that is easy to understand to share with the public equally which includes answering, and responding to something regarding a shareholder, an investor, a securities analyst, and stakeholders to act in following the principals and regulations of the Corporate Governance Code seriously.

-Signature-

Mr.Perapol Suwannapasri
Managing Director